



# International Journal of Multidisciplinary Research and Growth Evaluation



International Journal of Multidisciplinary Research and Growth Evaluation

ISSN: 2582-7138

Received: 25-11-2021; Accepted: 15-12-2021

www.allmultidisciplinaryjournal.com

Volume 2; Issue 6; November-December 2021; Page No. 337-340

## Emerging trends in E-Commerce: shaping the future of online retail of India

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### Abstract

E-commerce has developed extensively in recent years in India. Technological advancements and changing consumer behaviours is the main cause of this development. This paper explores the emerging trends in e-commerce and highlights the impact of this development on the industry, businesses, and consumers. With artificial intelligence, technical and digital changes and social commerce, these trends are reshaping the way we shop and conduct online transactions.

Adapting and understanding to these trends is crucial for e-commerce businesses. This paper explains how AR and VR technologies are enabling the better demonstration of product by visualization and virtual showrooms. Redefining how consumers interact with and perceive and get attracted with online products. This paper emphasis on how social commerce is connecting people with social media and encouraging online shopping.

**Keywords:** E-Commerce, trends, future, online

### Introduction

E-commerce, once considered a novel concept, has become an integral part of modern retail. The industry has witnessed rapid growth, accelerated by Demonetisation Policy 2016, Digital India Campaign and the global pandemic. E Commerce is continuously evolving to meet the changing needs and expectations of customers. In this paper, we are exploring the emerging trends that are redefining the e-commerce landscape in India. For a retailer, it is important to understand how to promote products and communicate with customers as this affects overall growth of the firm. To communicate with consumers retailers uses technology like Artificial

Intelligence and Machine Learning in on line business. Government of India predicts that e-commerce industry in India is going to be worth over 350 billion U.S. dollars by 2030.

### Personalization

Artificial intelligence (AI) and machine learning algorithms are being used to analyze vast amounts of customer data, enabling e-commerce platforms to provide highly personalized shopping experiences. These systems offer product recommendations by analysing customers' personal information and their area of interest. It Provides content customization and targeted marketing strategies of Online shopping sites, enhances customer engagement and satisfaction by showing maximum reviews of customers of the same products.

### Chatbots and Virtual Assistants

Chatbots and virtual assistants, which are powered by artificial intelligence, are transforming customer service in e-commerce. They offer instant assistance to prospective buyers 24X7, answer customer queries, and help with product selection, improving efficiency and accessibility for shoppers as per the schedules, which suits to busy customers.

### Augmented Reality (AR) and Virtual Reality (VR)

#### 1. Virtual Try-On and Product Visualization

AR and VR technologies are enabling customers to virtually try on clothing, Cosmetics, spectacles etc. Shoppers visualize furniture in their homes, or experience products in 3D. Some firms in Industry has adopted full online selling Policy by using AR and VR on their sites. This immersive shopping experience reduces uncertainty and enhances confidence among customers in purchasing decisions. It attracts more customers and that is base of new retail business.

## 2. Virtual Showrooms

Retailers are creating virtual showrooms where customers can explore products in a virtual environment. They send Pop-Ups to prospective buyers to hit them psychologically. This has a long term impact on Consumer behaviour. Government Reports show that in India the number of online shoppers is predicted to increase up to 427 million by 2027. The trend of Virtual Showrooms bridges the gap between online and in-store shopping, offering a unique and engaging experience to the users.

## Sustainability in E-commerce

### 1. Eco-friendly Packaging

Consumers are well aware about the environmental issues. So they are concerned about the environmental impact of their purchases. E-commerce companies are adopting changes towards their corporate social responsibilities and responding by adopting sustainable packaging material and shipping.

### 2. Sustainable Sourcing and Ethical Practices

E-commerce companies use the excessive packaging for shipment for procuring products, which generates substantial waste. Transportation modes are usually by air or truck, which contributes to pollution. So e-commerce companies should adopt such mode or material, which minimize the negative impact on environment.

The move towards online shopping can lead to increased social isolation. To make e-commerce more sustainable, it is essential to manage these challenges by upholding social responsibility.

Brands through e-businesses are embracing sustainable and ethical sourcing of products. Transparent supply chains, fair rewards to employees and certifications for ethical production are becoming selling points for e-commerce businesses.

## Social Commerce

### 1. Shop able Social Media

Popular social media platforms like, Facebook, whatsapp, Instagram, Pinterest and Youtube have introduced features for new and short seller or retailers, to enable shoppable posts and upload the image or video of their products. Social media platforms are expanding their e-commerce capabilities, allowing users to shop directly from posts and stories. These platforms are easy to use. So small and illiterate retailers in India are taking benefit from these E-commerce changes like small restaurant owner or Dhaba owner, rehri walas etc. Celebrity endorsement And Social influencers played a crucial role in the success of social commerce. Shoppable social media not only benefits consumers by providing a seamless shopping experience but also offers to e-retailers a new avenue for marketing and sales, where they can showcase their products to a broader audience at lower cost. This approach align with the growing trend of social commerce, where the lines between social interaction and online shopping are increasingly blurred.

### 2. User-Generated Content

E-commerce companies are taking benefits from user-generated content, such as customer reviews, images, and videos, to build trust, brand identity and authenticity around their products. Here are some key aspects of User Generated Contents in social commerce and e-business.

1. Customer reviews and ratings: Customers often share

their opinions and experiences by writing reviews and providing ratings for products they have purchased. These reviews can influence the purchasing decisions of other potential customers.

2. Visual Content: Users frequently upload photos and videos showcasing the products, they have bought. Visual Contents like sharing a story or case study offers a more authentic and relatable view of the product in real life scenarios, helping potential buyers.

E-Business must be mindful of privacy and copyright issues when using User Generated Content. They should obtain permission to use customer-generated content and ensure compliance with data protection regulations.

## Mobile Commerce (M-commerce)

### 1. Mobile Payment Solutions

After Demonetisation 2016 and Digital India initiative of government of India, Mobile wallets, contactless payments, and digital wallets have become increasingly popular among mobile shoppers of Tier-2 and Tier 3 cities. These systems securely store payments record and facilitate transactions for various purposes like online shopping's, bill payments and in store purchases. They offer streamline payment process and enhances convenient shopping.

### 2. Progressive Web Apps (PWAs)

PWAs offer a fast and responsive mobile shopping experience, combining the best features of websites and native apps. They reduce friction in mobile transactions. According to TechTarget," shoppers in a physical store can be slowed by crowds while e-commerce sites run quickly, which is determined by computer and network speed on both the consumer device and the e-commerce site. Product can easily get into shopping cart in a few seconds or less. An e-commerce transaction can be completed by a few clicks which takes less than five minutes."

## Challenges and Considerations

### 1. Data Privacy and Security

As e-commerce platforms collect more customer data, the responsibility to protect it becomes paramount especially when a major percentage of population in India is not digitally educated. One of the biggest privacy challenges is the risk of data breaches and cyber-attacks. Hackers can target your data sources, systems, or networks and steal, damage, or manipulate the data of customers, collected by you. This can compromise your analysis, expose sensitive information of customers, or cause legal and reputational consequences to your firms. According to report of Business Today, issue December 2019, there were almost 14,000 cases of Online shopping fraud in the period of August 2016 to December 2019. So Compliance with data protection regulations like, Consumer Protection Act 2019, The Information Technology (IT) Act, 2000, IT amendment Act, The Digital personal data Processing Act 2023 is essential and it is a big challenge to comply with all these for any firm involved in E-commerce.

### 2. Competition and Differentiation

E-commerce in India has changed not merely consumer behaviour, but also a chain of online shopping sites from which consumers can buy products and services. To greatly enhance consumer choices and innovation in product

distribution, increases competitions among the different E-Commerce sites. So With the increasing adoption of e-commerce, competition is fierce, which provides quality products at cheaper rates to consumers. E-commerce businesses must find ways to differentiate themselves and provide unique value to customers. However, recent enforcement has showed potential for anti-competitive behaviour to occur within the online environment, which is really contrary to Competition Act of India. Fears regarding potential market segmentation are therefore a notable concern within a number of agencies like Taxation, which have examined the issue of competition within the e-commerce sector. Government enforcement agencies and enactment like The Competition Act, Consumer Protection Act 2019, defend consumer rights and ensure the freedom of trade of other market players.

### Conclusion

E-commerce in India is a dynamic and ever-evolving industry that continuously understand, adapts and accustomed to consumer demands and technological advancements. The emerging trends discussed in this paper reflect the direction in which e-commerce is heading towards more personalized, customer centric, immersive, and sustainable experiences. Businesses that embrace these trends and prioritize customer-centric strategies will be well-positioned to thrive in the evolving world of online retail. Some giant business sites like Amazon and Flipkart are emerging as a sole proprietor, which is becoming challenging for the Governments. However Governments are taking legal and procedural steps to control this and creating an environment of healthy competition. Growth of E commerce is beneficial for customers, sellers, manufacturers and all involved in the chain. Moreover, it emphasize the challenges and considerations associated with data privacy, work force adaptation and regional variations. Ultimately, this paper serves as a roadmap for e-commerce businesses to navigate the evolving landscape and harness the Power of emerging technologies.

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